

Appeal No. VA14/5/628

**AN BINSE LUACHÁLA
VALUATION TRIBUNAL
AN tACHT LUACHÁLA, 2001
VALUATION ACT, 2001**

EJ Bodkin & Co. Ltd

APPELLANT

and

Commissioner of Valuation

RESPONDENT

In Relation to the Issue of Quantum of Valuation in respect of:

Property No. 748461, Office, Warehouse (including 4 to 7, Yarnhall Street), 57 Bolton Street, County Borough of Dublin.

**JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 3RD DAY OF MARCH, 2015**

Before

Sasha Gayer – SC

Frank O Donnell – FRICS, B Agr Sc, MIREF

Dolores Power – MRICS, MSCSI

Chairperson

Member

Member

By Notice of Appeal received on the 4th day of September, 2014 the Appellant appealed against the decision of the Commissioner of Valuation in fixing a net annual value of €23,400 on the above described relevant property on the grounds as set out in the Notice of Appeal as follows:

"Estm. NAV is excessive in view of the type and nature of the property. Property is a disused warehouse with 3.5 metre headroom throughout. Property has limited access (to the rear of 57 Bolton Street) and is of very little real value due to its actual location and headroom. Active usage for this type of property in the city has long since been extinguished.

"Full head height type units with business park location, parking and access available for €25-45/m2 on the Naas Road and in the adjoining fruit market. The subject property should be given a strong discount over these levels to reflect the lack of headroom, predominantly upper floor location (with no lift) and actual geographical location.

"The 1st floor rear stores – with Trap door goods access only from the gr. Fl. is of very limited value. The Commissioners [sic] approach to this area (ie to value it at the same level as the ground floor) is grossly inequitable and throws up an excessive and disproportionate burden on this area which is of very little value in the market."

The valuation history of the relevant property for the purposes of this appeal is as follows:

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|------------------------------------|---|
| 30 th of October, 2012 | The Commissioner of Valuation issued a proposed Certificate for the Subject Property under the Dublin City Revaluation Exercise of €27,700. |
| 26 th of November, 2012 | The Appellant lodged representations through its agent, Eamonn Halpin & Company Limited, seeking a reduced assessment. |
| 31 st of December, 2013 | The Commissioner of Valuation published the valuation list for Dublin City, at a reduced NAV of €23,400. |
| 7 th of February, 2014 | The Appellant lodged an appeal to the Commissioner seeking a reduced assessment, through its agent, Eamonn Halpin & Company Limited. |
| 8 th of August, 2014 | The Commissioner of Valuation published the result of the appeal, unchanged at €23,400. |
| 4 th of September, 2014 | The Appellant lodged an appeal to the Valuation Tribunal seeking a reduced assessment, through its agent, Eamonn Halpin & Company Limited. |

The Tribunal, having examined the particulars of the property, the subject of this appeal; having confirmed its valuation history; having examined and considered the written evidence and having heard, on the 26th day of January, 2015, the oral evidence adduced before us by Eamonn Halpin of Eamonn Halpin & Company Limited, on behalf of the Appellant, and Ms. Rita Harris, Valuation Officer, on behalf of the Respondent,

DETERMINES

That the appeal is allowed and that the net annual value of the subject property be decreased to:

€18,700

The reasons being as follows:

- (1) The net annual value of the relevant property for the purposes of this appeal falls to be determined in accordance with the provisions of Section 48 of the Valuation Act, 2001, which provides as follows:-

“48.(1)The value of a relevant property shall be determined under this Act by estimating the net annual value of the property and the amount so estimated to be the net annual value of the property shall, accordingly, be its value,

(2) Subsection (1) is without prejudice to Section 49.

(3) Subject to Section 50, for the purposes of this Act, “net annual value” means, in relation to a property, the rent for which, one year with another, the property might,

in its actual state, be reasonably expected to let from year to year, on the assumption that the probable average annual cost of repairs, insurance and other expenses (if any) that would be necessary to maintain the property in that state and all rates and other taxes and charges (if any) payable by or under any enactment in respect of the property, are borne by the tenant.”

- (2) The subject property in this appeal is an old industrial building constructed *circa* 1930 and located at the rear of Bolton Street, Dublin 1. The evidence established that the building has not been modernised and that there is no lift or equivalent access to the first floor warehouse/store area. Furthermore, the property has no designated parking or yard space. The property is at present unoccupied and had been offered for let from 2006/2007 to 2012, but, no tenancy was achieved. Given the unusual attributes of the subject property, the Tribunal finds that the comparative evidence adduced by the Respondent was not of assistance in determining the value of the property.
- (3) The Tribunal is satisfied that it is not appropriate to value the entire premises at a uniform rate, which may, be appropriate in the context of a modern purpose built industrial unit. Accordingly, the Tribunal finds that it is appropriate to apply different rates of valuation to the ground floor, first floor and second floor levels. Cognisance must be taken of the market rental value of the subject property and a willing tenant would not pay the same rent per square metre for the first floor of the subject property as for the ground floor.
- (4) The Tribunal finds that all of the first floor area of the subject property should be valued at the same rate as in reality the warehouse area could not be separately rented from the remaining area of that floor.
- (5) The Respondent has contended for a rate of €38.00 per square metre in respect of the entirety of the property. The Respondent was, however, unable to adduce evidence as to how that value had been arrived at. The Appellant contended for a valuation of €30 per metre squared in respect of the ground floor warehouse and first floor office; €15 per metre squared in respect of the first floor warehouse and first floor store and €15 per metre squared in respect of the second floor office. In all of the circumstances, and applying the principles set out above, the Tribunal determines that the NAV of the property should be calculated on the following basis:
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|-----|--|---------------------|
| (a) | Ground floor warehouse: 153.43 sq. metres @ €34.00 per sq. metre | = € 5,216.62 |
| (b) | First floor warehouse office and store: 460.75 sq. metres @ €25.00 per sq. metre | = €11,519.00 |
| (c) | Second floor office: 65.28 sq. metres @ €20.00 per sq. metre | = <u>€ 1,970.00</u> |
| | Total: | €18,705.62 |

Say €18,700